



Bill Roberts



Ed Roberts

Tax relief for drought-affected farmers

Inland Revenue has special measures to help ease the pressure on drought-affected Northland farmers.

We understand that tax isn't the first thing on your mind. But please contact us with any concerns or questions about tax or income levels, so we can make arrangements to help.

Income equalisation scheme

Farmers who have money deposited in this scheme may be able to make an early withdrawal, or deposit funds from forced sale of livestock.

Late election of provisional tax estimates

You may be able to make a late estimate or re-estimate of provisional tax, if your circumstances have changed due to the drought. You may be able to get early refunds if provisional tax has been overpaid.

Outstanding tax

Inland Revenue will consider instalments for outstanding tax in some circumstances. You can apply for a write-off due to serious hardship when you know you won't be able to pay the full amount.

If Inland Revenue grants relief from payment due to hardship and you have losses to carry forward, these losses will be reduced in proportion to the amount written off.

Late filing and late payment

Extensions for some income tax returns may be available. Extensions can't be granted for GST and PAYE returns, but any penalties for late filing may be waived. Under limited circumstances penalties for late payments caused by effects of the weather may also be waived.

Other tax measures that could help:

Certificate of exemption

Special tax codes

Working for families tax credits, paid parental leave and child support assistance

Deductions can be made for farm losses when certain improvements are destroyed or irreparably damaged.

Livestock or materials donated because of an adverse event may be treated as zero-value rated.

Payments or donations from charities aren't taxable or liable for GST.

Tax treatment of insurance payments depends on what the payment is compensating, eg insurance for loss of capital assets is non-taxable, but income-replacement insurance may be taxed.

Interest on money borrowed to keep the farm going may be deductible.

Eligibility for independent earner tax credit.



WISE WORDS

Be fearful when others are greedy, and be greedy when others are fearful.

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TAX TABLES

Inland Revenue has stopped issuing tax tables each year. You are expected to find them yourself at the department's website.

Be sure to diary each March to update PAYE deductions. IRD says it will email you with any changes. If you don't use the internet or you don't check your emails regularly, you are going to have a problem.

Tax tables usually change on the 1st of April each year. If nothing else happens, the ACC rate goes up. In an election year you will often get a change starting from 1 October.

If you anticipate a problem because of the new IRD policy, please contact us and we will get the tables for you or tell you what deductions you should make.

If you don't keep up with technology your business is going to suffer. The internet is here to stay. You will increasingly be forced into using it.

On balance

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On the move



SERVING NORTHLAND SINCE 1946... SERVING NORTHLAND INTO THE FUTURE

After more than 25 years at 13 Rust Avenue, Russell Turner Chartered Accountants is on the move.

The builders are in the final stages of completing the renovations to the former Valentines restaurant at 58 Otaika Road.

Thanks to you, our clients, the firm has been steadily growing and our current building is just too small.

The new premises will also provide more parking, and give us the flexibility to grow our business over the coming years.

An invitation

Please join us on Thursday, 6 May 2010 from 5-7pm for nibbles, light

refreshments and to check out our new "digs". We can't promise a politician, magician, or celebrity so there will be no speeches or formal opening, but you will get the chance to have a look around the new office.

Please see the attached invitation for details.

Moving days

As mentioned above, we don't have magicians to move our computers and files to our new office, so we are going to have to do it ourselves.

Our office at 13 Rust Ave will close at 5pm on Thursday, 6 May and will re-open at 58 Otaika Road at 8.30am on Tuesday, 11 May.

TAX CALENDAR

Due May 7

- 3rd Instalment of 2010 Provisional Tax payment for March balance dates
- GST for March 2010

Due May 28

- First instalment of 2010 Provisional Tax payment for December balance dates
- GST for April 2010





**Nigel
Brereton**



**Gavin
Buckingham**

Systems: too important to ignore

Business is largely about systems. The more you develop your own and use them, the more money you will make. And what is wrong with wanting to make money?

Why be in business if this is not your aim?

Write down your systems and insist they be followed. When things go wrong, go to your written system and improve it or add to it.

Get everyone ticking boxes or crossing out YES/NO for each item when checklists are being used. This should show your system is being followed.

Staff often resist change. It is uncomfortable for them. Given a chance many will slide back to doing things the way they have always done them. You might have to insist your systems be followed. The best way to achieve this is to get your staff to help in developing and changing them.

One system commonly ignored is a set script for sales staff. Many retail businesses could add to their bottom lines by using a script. Have you ever heard a McDonald's server forget to ask if you will have fries with that? That simple question undoubtedly adds to sales or profit.



By suggesting more sales, you are often doing your

customer a favour. They go out to buy some paint and arrive home to discover they have overlooked a paint scraper, sand paper, even a paint brush! Your staff need to follow a system to get those sales and help your customers.

If you want to watch good selling in action, go in to Michael Hill Jewellers. Note how the sales person operates from the time a customer first looks at the stock in the shop. Observe what they say and do when approaching the customer.

If you want to know how the real Michael Hill magic works, read his first book Hello Michael Hill Jeweller. (You will find the steps at page 155.) In 1994 he had a 12-step process. It has probably been updated several times since then.

But back to food: think of the waitress suggesting you order vegetables to supplement the main course ("because the portions, while not too small are likewise not big"). She would make a couple of sales. After the main course is cleared, she would hand everyone a menu, assuming they would want another course. This beats the lame "would you like to see the dessert menu". Again, notice the system.

Many businesses, particularly in retail, could double their profits if they would only train their staff to follow a good system and keep improving that system.

Where it all began – Messrs Russell and Turner

Bob Russell grew up in Morrinsville and Dannevirke, gaining his professional qualification in March 1935.

He served overseas during WWII, and set up private practice in Whangarei in December 1942.

His first business appointments were as secretary/treasurer to the Whangarei High Schools' board and clerk of the then Onerahi Town Council.

In 1943 he joined the Whangarei RSA and became secretary-treasurer the following year. He held that post for the next 32 years, and was made a life member of the RSA in 1970 and awarded the Merit Badge in 1974.

In 1946, Bob was joined in partnership by Lyle Turner, and in 1974 Brian Moyle and Bill Roberts became partners in the firm.

Bob was auditor of many local organisations, was secretary/treasurer of the Whau Valley School and also coached school cricket teams. He enjoyed bowls and gardening.

After 33 years in full time practice, Bob retired at the end of 1975 and died suddenly in May 1985, aged 72.



Bob Russell



Lyle Turner

Lyle Turner was born in Kaitaia in 1925. He excelled academically and in sport, and at 14 had finished high school.

Too young to go to university, Lyle studied accountancy by correspondence while working in Kaitaia and Kaikohe. He moved to Whangarei and joined Bob Russell in 1946, establishing Russell Turner.

Lyle was a community man – a "giver" who devoted his time and energy to his family, voluntary organisations and sport: tennis, cricket, rugby and yachting. Yachting was one of his passions and he helped form the Paihia and Onerahi yacht clubs.

He was secretary and treasurer of the Northland Cricket Club and a keen supporter of the Kamo cricket and rugby clubs.

Lyle received the Brian Maunsell Memorial for Service to Sports award and a special award from Tennis New Zealand. He was a member and past-president of Kamo Probus and a charter member of the Kamo Lions Club.

He became a life member and was awarded fellowship status in the local branch of the New Zealand Society of Accountants.

Lyle retired from full time practice in 1989 and died following surgery in Auckland Hospital in August 2005. He is remembered for his sense of humour, infectious laugh, easy-going nature and his honesty and integrity.



**Neil
Ruddell**



**Brian
Moyle**

ANNUAL ACCOUNTS: help us to help you



When we prepare your annual accounts, two things contribute to the cost: too little information, and too much information.

Too little information

Each time we need to ask for more information, we put the file aside while you look. This adds to the cost of the job. Ideally, we would like to work straight through your assignment and finish it in one session.

This is seldom possible. However, the fewer questions and quicker your response, the more efficiently we can complete our work.

Too much information

A few clients try giving us everything. This often means a time-consuming search through the papers for what we need. When we cannot find what we are looking for, we will often have another look, just in case, before contacting you.

What to do

Provide all the information requested in our questionnaire and no more. Reduce next year's queries by keeping a note of our requests for more information, which you can refer to.

Our plea

Please do not give us your processed information unless you have first discussed with us what you are going to produce and we have agreed. If the information we are getting does not fit within our office systems, our work often takes much longer and involves more skilled staff.

Long-term care hits 7% at 65

Seven per cent of those aged over 65 are in long-term residential care. Most would be over 75. The odds of being one of them get higher as you get older.

Long-term care is expensive. Your assets will be used to pay for that care unless you have them in a family trust.

If you are interested in using family trusts, don't wait until it's too late. It's generally best to keep all your investments in your trust. Loss-making rental properties might be an exception.

Over time some clients get slack about who owns what.

Assets pile up in their own name when they should have been owned by the trust. Then one of the couple has to go into long-term care and there is a scramble to see how much money (if any) can be rescued.

If you have a family trust, be vigilant and make sure all significant investments are put into the trust as they arise.

Currently, if one of a couple has to have long-term care, the other can keep the home they live in, the car they use and \$95,000. That's not a lot is it?



So what else does Russell Turner do?

Russell Turner's clients include individuals, families, self-employed and businesses of all shapes and sizes, including retail, marketing, accommodation, food, professionals, transport, manufacturing, farming, agriculture, horticulture and trades.

You're a diverse bunch, and we tailor our services to suit. As one of Northland's most respected and experienced firms of chartered accountants, Russell Turner provides clients with a comprehensive range of professional services and advice.

Accounting: From preparation of monthly and annual financial statements, through to business management accounting.

Tax returns and planning: From income tax, GST, PAYE and fringe benefit tax to assistance with tax investigations and advice on how to minimise tax.

Financial management: Business planning, cash flow forecasts and budget preparation, as well as profit maximisation advice, investment advice, preparation of loan applications and analysis of trading results.

Asset Protection: Family trusts and retirement planning, asset and income protection.

Office services: Payment of wages and accounts, debtor management, secretarial and word-processing services.

We also offer business purchase advice, feasibility studies, business negotiations, business restructuring, and advice on computer and accounting systems.